

## OFFICIAL CORRESPONDENCE

### ASSISTANT DEPUTY CHIEF OF STAFF FOR RESEARCH, DEVELOPMENT AND ACQUISITION - ACQUISITION, CONTRACTING AND PRODUCTION MANAGEMENT (AMCRDA-A)

#### AMC Policy in Support of the Rights and Responsibilities of Certifying Officials:

##### 1. References:

a. Memorandum, Under Secretary of Defense (USD), Subject: Purchase Card Reengineering Implementation Memorandum #1: Certifying Officer Guidance, 17 Oct, 1996.

b. Memorandum, SARD-PI, Subject: Purchase Card Reengineering Implementation Memorandum #1: Certifying Officer Guidance, 3 Apr 1997.

##### 2. IMPAC certifying officials have the following rights and responsibilities concerning liability for amounts certified on IMPAC bank statements for payment:

a. Under the DOD and SARDA procedures referenced above, approving officials may be appointed as certifying officials IAW the procedures and qualifications found in DOD 7000.14-R, Vol 5, chapter 2, paragraph 0212. Certifying official's liability is "strict and automatic" and they are assumed to be liable until they can prove otherwise (under DoD Financial Mgmt. Reg. Vol 5, Appendix C, paragraphs C103-C108; and 31 USC 3527(b)). This means that these individuals are pecuniarily liable for the costs of any purchases they certify for payment which may later be determined improper or illegal. DoD Financial Management Regulation, Volume 5, Appendix C, paragraphs C104 indicates that certifying officials are insurers of the public funds in their custody and are excusable only for losses due to acts of God or the public enemy.

b. Certifying officials are, however, able to seek relief from Defense Finance and Accounting Service (DFAS) or the Comptroller General, per the same DoD Financial Regulation and law, so long as the payment is based on official records and the official could NOT have been reasonably expected to discover the correct information or the payment was made in good faith, was not

prohibited by law and the Government received value for the payment. In addition, diligent collection actions must be taken for relief to be granted. Certifying officials should be assured by their agency that they may seek relief.

c. Certifying officials have the responsibility to know the policy concerning what is prohibited from IMPAC purchase and what is allowable for purchase. This includes but is not limited to Army Federal Acquisition Regulation Supplement 13.90, the General Services Administration Governmentwide Commercial Credit Card Service Contract Guide, the Standard Army Business Practices, HQ, DA and HQ, AMC developed policies and internal agency procedures. Ignorance of the policy is not an acceptable excuse for avoiding "pecuniary liability".

d. Certifying Officials have the right to participate in any audit or investigation of purchases for which they have certified payment.

e. Certifying Officials have the right to request relief from liability from DFAS or the Comptroller General, depending upon the characterization of the loss.

Note: The specific requirements for requests for relief are covered in Section 0610, Chapter 06, DOD Financial Management Regulation, Volume 5, Disbursing Policy and Procedures, May 1996. Paragraph 061002, states, in part, "The memorandum requesting relief shall be addressed to Office of the General Counsel, U.S. General Accounting Office, 441 G Street, NW, Washington, DC 20548. The request shall be routed through the requestor's chain of command and the servicing DFAS Center. Generally, the accountable individual should submit the request for relief within 30 days after all required investigative and/or, when appropriate, the Disbursing Officer's (DO's) required collection efforts have been completed and the loss has been referred to the servicing DFAS Center for further collection action. If an investigating officer has been or will be appointed as prescribed in Section 0607 above, a copy of "the investigating officer's report shall be included as an attachment to the request for relief."

f. Certifying Officials have the right to require that cardholders under their jurisdiction obtain the certifying official's approval prior to making any purchase. This requirement should be put in writing. A certifying official, who is not a supervisor, may recommend to the cardholder's supervisor

that disciplinary action be taken against the cardholder if s/he fails to follow the certifying official's requirement.

e. Certifying officials have the right (and the duty) to seek guidance from IMPAC program administrators, the legal office and others before making a purchase if they have any doubt about propriety.

3. It is recommended that a copy of this policy be provided to each previously appointed certifying official and cardholder as soon as possible. Also, a copy of this policy shall be included with each appointment letter to new certifying officials and cardholders. HQ, AMC supports maximizing purchase card use in accordance with the law, General Services Administration, Department of Defense and Department of Army procedures. Certifying officials are hereby advised of the seriousness of their responsibility and encouraged to act with prudent care.